

HOUSING

GOAL

Ensure the construction and preservation of housing stock that meets a diverse range of incomes and needs.

The City funds affordable housing

So that...

The City has a sufficient stock of affordable housing to meet the needs of the community

MEASURE	2013	2014	2015	2016	2017	Target
City contributions to ARCH (A Regional Coalition for Housing) Trust Fund*	\$424,108	\$406,092	\$478,476	\$426,610	\$546,970	\$307,000 to \$455,000
Number of low income housing units produced	15	19	7**	101**	97***	69 units per year
Number of moderate income housing units produced	23	8	0**	174**	14**	49 units per year
Total number of low and moderate income units brought online	38	27	7**	275**	111***	118 units per year

* Includes General Funds, Community Development Block Grant Funds, and reallocation of affordable housing loans that have been repaid.

** 89 of the low income and 143 of the moderate income units are Residential Suites – single room living units of 120 to 350 square feet with shared bathroom and/or kitchen facilities.

*** ADU and housing market survey units not included.

HOW DO WE MEASURE AFFORDABLE HOUSING?

King County's Countywide Planning Policies determine the affordable housing targets for cities based on a variety of factors, including the projected affordable housing needs of low and moderate income households, the existing stock of market rate and subsidized housing, and the number of jobs by wage level and location.

Kirkland's progress towards meeting those targets include affordable housing units that have been built as a result of:

- Housing Trust Fund contributions
- Housing regulations that the City has adopted, such as affordable housing requirements, Accessory Dwelling Units, Residential Suites, and tax exemptions
- Private housing development with market rents at affordable levels



The Velocity Apartments, a low-income housing community at the South Kirkland Park and Ride.

HOW ARE WE DOING?

The City continues to make significant contributions to the A Regional Coalition for Housing (ARCH) Trust Fund. Following the annexation of the North Juanita, Finn Hill and Kingsgate neighborhoods, the City's target for contributions to the Housing Trust Fund increased to reflect the larger population. The City has been contributing above targets from 2012 through 2017.

Progress towards meeting affordable housing targets established in the Countywide Planning Policies fluctuates annually. This is due to a variety of factors, including when the City's trust fund contributions get allocated and to which projects. The City gets credit for affordable housing units based on its monetary contributions, regardless of where the units are built, as well as affordable units that are built in the City through regulatory requirements and market forces. The good news is that affordable housing is being built in Kirkland.

WHAT ARE WE DOING?

Kirkland continues to take a multi-faceted approach to creating a diverse housing stock that meets a variety of income ranges and needs. Several multi-family and mixed use developments in areas where affordable housing will be required by zoning regulations are currently in the pipeline, based on conversations with developers prior to permit submittal through projects that are already under construction. The City's growing list of regulations to encourage and enable affordable and diverse housing include:

- Accessory Dwelling Units
- Small lot single family allowances
- Cottage and carriage housing regulations
- Residential suites
- Affordable housing requirements with offsetting density bonuses
- Multi-family residential tax exemptions
- Standards for transit-oriented development at South Kirkland Park and Ride
- Impact fee exemptions for affordable housing

Planning staff and the Housing Strategy Advisory Group are in the process of preparing a new Housing Strategy Plan to provide direction for additional future initiatives that the City will undertake in support of affordable and diverse housing. In addition, the City sees a tremendous return on its annual investment in the ARCH Housing Trust Fund. All of the low income units and about 20% of the moderate income units that the City has been given credit for producing are a result of financial contributions made by the City to affordable housing projects within Kirkland and other ARCH cities through the ARCH Housing Trust Fund.



The Houghton Apartments

In 2010, the Kirkland City Council adopted regulations that require the builders of certain multifamily and mixed commercial and residential communities to include ten percent affordable housing in their new developments. Those units provide housing to people who earn between 50% and 100% of the King County median income. That is currently \$37,000 to \$72,000 for a single person.

Over the first seven years of the program, developers have made payments in lieu of some of those units, resulting in \$1.98 million in payments in lieu of the construction of 8.5 units of affordable housing. In 2017, the City found a way to use that money to permanently preserve 15 units of affordable housing for those earning less than 60% of King County median income.

That project was made possible because in 2015 the City purchased the Houghton Apartments, two apartment buildings including a total of 15 units, in order to secure land to build a pedestrian bridge between the Cross Kirkland Corridor (CKC) and the Houghton Shopping Center as called for in the CKC Master Plan. With that project completed, the City owned a couple of apartment buildings in need of rehabilitation while the King County Housing Authority owned a separate commercial building that the City had been leasing to house part of its maintenance operations. The City and the Housing Authority agreed to trade properties, with the Housing Authority agreeing to rehabilitate and maintain the affordable housing provided in the 15 apartment units in perpetuity. The City was able to make the deal happen using the \$1.98 million in payments for affordable housing, resulting in the preservation of homes for 15 families.